

News From U.S. Senator

North Dakota

Byron L. Dorgan

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He says Fed rate hikes cost typical American household about \$1,700 this year:

DORGAN SAYS FED IS "FLYING BLIND" ON RATE HIKE

(WASHINGTON, D.C.) — U.S. Senator Byron Dorgan (D-ND) said Tuesday the decision by the Federal Reserve Board to increase interest rates for the sixth time in nearly a year will cost the average American household \$484 in additional interest costs. That brings the total amount the average American family will pay in added interest charges as a result of Federal Reserve Board interest hikes over the past year to \$1,694, he said.

"This decision demonstrates that Fed board members are willing to ignore the facts about the economy in pursuit of their own insatiable desire to increase interest rates," Dorgan said. "If Congress was considering legislation to raise taxes by nearly \$1,700 a year there would be unbridled outrage," he added. "Yet many who would object vigorously to such a tax hike apparently have no qualms about the Federal Reserve Board imposing exactly the same burden in the form of higher interest charges, even when there is no justification for doing so."

"The Fed is flying blind on interest rate policy," Dorgan said. "Inflation is down, productivity is up. There is no excuse for central bankers to impose another increase in interest costs on the American people. The plain fact is, the Fed doesn't know where this economy is or where it is headed. In their confusion, they just keep pushing interest rates up."

"Once again, the interests of the American people have given a back seat to the interest of money center banks," Dorgan said.

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